

Alabama Student Loan Program and
The Student Loan PeopleSM
100 North Union Street, Suite 308
Montgomery, AL 36104-3762
Tel: 800.721.9720
Fax: 334.265.9750
e-mail: lkiser@khea.com
www.alstudentaid.com



COUNSELOR CONNECTION

VOLUME IX, No. 2, DECEMBER 2005

AlabamaMentor.org Praised

The Alabama Student Loan Program—KHEAA recently sponsored a session on AlabamaMentor at the annual conference of the Alabama Counseling Association in Birmingham.

Alabama Counselors praised the value of the AlabamaMentor.org Web portal as an effective tool for counselors and resource for students and families.

The ratings for this session, presented by our North Carolina colleague, Margaret Causey, were outstanding.

Here are the comments given on the session evaluation form -

- "Very informative. One of the best workshops I have ever attended."
- "Outstanding."
- "Thanks for the useful info.!"
- "Excellent information - excellent presenter."
- "Great!"
- "Excellent free resource of valuable information for counselors."
- "Great session!"
- "Excellent - Thank You!"
- "Super"
- "Very informative and useful."
- "Great information."
- "GREAT!! What an asset!!"
- "No Handouts -- Notepads were useful."

It's FAFSA Time!

Encourage your students to complete the FAFSA as soon after the first of the year as possible. Students seeking college aid for the 2006–2007 school year should file the FAFSA online at www.fafsa.ed.gov as soon as possible.

The FAFSA is used to apply for most need-based state, federal and institutional aid programs. Some student aid funds are limited, and those who apply early have the best chance to receive all of the aid for which they may qualify.

Students who file the FAFSA online will get their results 7 to 14 days faster than those who file by mail. Students can also file a paper FAFSA, available from high school guidance offices and college financial aid offices.

The Alabama Student Loan Program—KHEAA and The Student Loan People wish you the very happiest of holidays. We



will be closed the following dates: December 23 and 26 for Christmas and December 30 and January 2 for New Year's.



Things To Know About Student Loans

One fact of life for most college students is that they will have to take out student loans to help pay for their college education. Many times their parents will have to take out loans to help them. The Alabama Student Loan Program-KHEAA and The Student Loan Peoplesm administer the Federal Family Education Loan Program (FFELP) and suggest students and parents should take time to learn more about student loans and how to save money on them.

FFELP includes Federal Stafford Loans for students and Federal PLUS Loans for parents. FFELP loans will have a lender and a guarantor. The lender can charge an origination fee, similar to the points on a home mortgage, of up to 3 percent. The guarantor can charge an insurance fee of up to 1 percent. Those fees are deducted before the loan funds are sent to the student's school. However, not all FFELP lenders and guarantors charge the same fee. To be smart shoppers, students and parents should find out what fees each lender and guarantor charges. The lower the fees, the more money the student gets to pay for school.

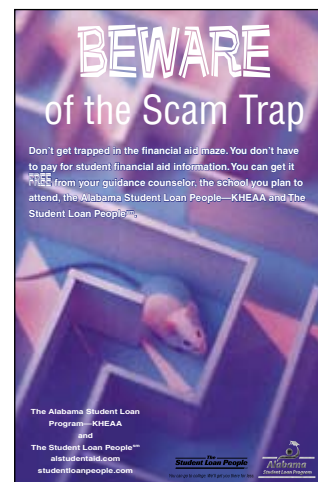
Students and parents should also see what benefits lenders offer when they're paying back Stafford or PLUS Loans. Many FFELP lenders offer interest rate reductions for automatic withdrawals and reductions to the principal for a history of on-time payments.

In addition to federal student loans, many lenders offer private student loans. These are called "alternative loans." As with any private loan, students owe it to themselves to do some comparison shopping before borrowing.

For more information about student financial aid and college planning, visit www.alstudentaid.com or www.alabamamentor.org; write the Alabama Student Loan Program, 100 North Union Street, Suite 308, Montgomery, AL 36104-3761; or call 334-265-9720, toll free (800) 721-9720.

Posters You Should Display

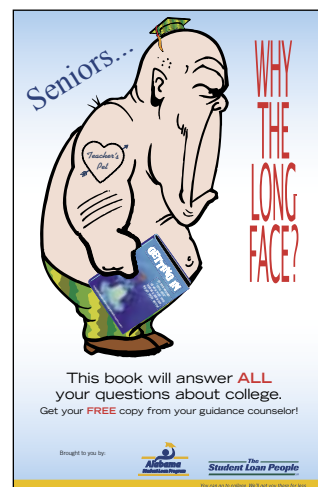
Included with this *Counselor Connection* is a poster about financial aid scams. Be sure to display this in a prominent place to remind students and their families that they do not have to pay for financial aid information. It can be obtained free from KHEAA.



If a student or parent has been charged for KHEAA information, advise them to contact the Better Business Bureau and the Office of the Attorney General, Consumer Protection Division, 11 South Union Street, Montgomery, AL 36130, phone number 205.242.7334.

Also included with this *Counselor Connection* is a poster promoting *Getting In*.

Please display these posters prominently in your school. If you'd like additional copies, please contact the publications area at the address or phone number at the top of the page.



The Student Loan PeopleSM

You can go to college. We'll get you there for less.